

National Defense Authorization Act

Issue Summary: The National Propane Gas Association (NPGA) urges Congress to include propane-specific provisions in the Fiscal Year 2023 National Defense Authorization Act (NDAA). Specifically, NPGA is requesting an expansion of the alternative-fueled vehicles pilot program authorized in the FY21 NDAA as well as investing in propane-powered generators to increase the resiliency and mobility of critical infrastructure on domestic bases.

Background: The NDAA provides authorization of appropriations for the Department of Defense (DOD), nuclear weapons programs of the Department of Energy, and other defense-related activities. The NDAA has continued to pass Congress with bipartisan support every year for the past 61 years.

The FY21 NDAA directed the Secretary of Defense to establishing a pilot program in which new alternative fuel vehicles, including propane, would be purchased at no fewer than two domestic facilities. This year, NPGA is asking Congress to continue and expand this pilot program as well as increase the use of alternative fuels for medium- and heavy-duty vehicles. Additionally, to alleviate mounting concerns regarding the security and resiliency of the national electric grid, NPGA is requesting a DOD pilot program to determine the operational viability of propane-powered generators for primary and/or back power generation at domestic DOD facilities.

Domestic military installations are often expansive in remote areas and must be able to adapt to evolving missions, challenges, and threats. In addition, critical infrastructure requires redundant power generation to maintain operational viability and increase capabilities. Investing in mobile generation and micro-grids reduces electricity transmission and distribution (T&D) losses (average 5% in the United States) and can increase resilience by providing partial or total independence from the electrical grid. Unlike diesel or gasoline, propane is non-toxic, highly transportable, and unsusceptible to degradation, making propane an ideal fuel for power generation in all environments.

Transitioning DOD from diesel and gasoline to alternative fuels, including propane, can produce long-term financial and maintenance savings in both vehicles and generators. As the Department of Energy notes, while the initial cost, between 5-15% of the investment, is higher for some propane applications, propane is typically cheaper, “so the return on investment can be quick.”¹ DOE additionally notes that propane’s lower maintenance costs are “one reason behind propane’s popularity for use” in light-, medium-, and heavy-duty vehicles. Propane-powered engines require less oil by volume than diesel engines, resulting in maintenance savings every service interval over the life of the vehicle. Additionally, propane vehicles do not require costly diesel emissions fluids (DEF) and diesel particulate filters to run clean. As a result, propane’s low carbon and low oil contamination characteristics may result in longer engine life.

For nearly a decade, the United States has been a net exporter of propane. In fact, since 2010, propane exports have grown nearly 170%, and the trade surplus of propane has increased by nearly 200%. Propane is a domestically produced fuel that supports 136,000 jobs nationwide and provides \$47 billion to the U.S. economy every year. Ensuring our military forces and installations have a diversified fuel source independent of foreign actors who may have alternative goals than the United States is critical to our country’s national security.

The Ask: NPGA urges Congress to support the increase of alternative fueled vehicles and the acquisition of propane-powered generators at DOD.

¹ https://afdc.energy.gov/fuels/propane_benefits.html